

EXHIBIT 5

ESTADO LIBRE ASOCIADO DE PUERTO RICO

Approved: Antonio J. Colorado
Secretary of StateLcdo. Ismael Betancourt y Lebrón
Superintendente

Assistant Secretary of State

DIRIJA TODA
LA CORRESPONDENCIA OFICIAL
AL SUPERINTENDENTE
P.O. BOX 70166
SAN JUAN, PUERTO RICO 00936-0166
TELEFONO 793-1234**REGULATIONS FOR THE PROMPT PAYMENT TO SUPPLIERS OF GOODS
AND SERVICES TO THE POLICE OF PUERTO RICO****Article 1. Purpose:**

The purpose of this Regulation is to implement objective criteria to create a system of prompt payment that will permit the Police Department to comply with obligations incurred with suppliers of goods and services; to provide an informal and quick solution so that the suppliers be able to make their payment requirements, and to determine responsibilities for failure to comply.

Article 2. Legal Authority:

This regulation is issued by virtue of the authority that is bestowed on the Superintendent by the following Laws:

- A. Law No. 25 of December 8, 1989, known as the Law for Establishing a System of Prompt Payment for the Suppliers of Goods and Services to the Agencies of the Commonwealth of Puerto Rico.
- B. Law No. 26 of August 22, 1974, (as amended) known as the "Law of the Police Department of Puerto Rico".
- C. Law No. 170 of August 12, 1988, "Commonwealth of Puerto Rico Uniform Administrative Procedures Act".
- D. The Police Personnel Regulations of May 4, 1981 as amended

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Article 3. Application

This Regulation will apply to all the new obligations that the Puerto Rico Police Department will assume with the suppliers of goods and services as of the fiscal year beginning July 1, 1990.

Article 4. Definitions

- A. Agency - Puerto Rico Police Department
- B. Superintendent - Superintendent of the Puerto Rico Police Department or the person whom he delegates.
- C. Secretary - Secretary of the Treasury; it also includes the official or employee designated as his authorized representative.
- D. Obligation - commitment acquired by an agency represented by a purchase order, contract, or similar document signed by an authority legally qualified to impose a lien on the fund allotment and which can become an obligation payable on demand, as of the fiscal year which begins July 1, 1990.
- E. Disbursement Officer - person authorized to make disbursements from the funds assigned to the Puerto Rico Police Department. This term includes the official or employee designated as its authorized representative.
- F. Supplier - a member of the force or a private citizen who has provided goods or services to the Puerto Rico Police Department. This term also includes any agency, establishment, public corporation, or government dependency that provides goods or services to other government agencies.

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- G. Department - Department of the Treasury
- H. Examining Officer - is the official designated by the Superintendent to offer the respondent the opportunity to be heard before the Superintendent's final decision.

Article 5. Work Unit Responsibilities

- A. The Area Commanding Officers, the work unit directors who are placed in the areas but do not respond to the Area Commanding Officers, or the people they delegate to be Disbursement Officers, and the Director of the Division of Finance, will be the only employees of the agency authorized to receive invoices or documents concerning obligations incurred by the Agency as of fiscal year 1990.
- B. The Finance Division will receive all invoices and related documents from the work units of the main offices.
- C. The above-mentioned employees will proceed in the following manner:
 - 1. If the invoices are hand-delivered, a PPR-272 form, "Documents and Articles Receipt", will be issued and given as a receipt. The original will be given to the person who delivers the document and the copy will be kept by the work unit that issues it. If the invoice is received by mail, it will be processed on the date received.

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2. The document will be sealed and it will indicate the work unit, date, time and name of the employee who receives it.
3. The document will be registered in the incoming Mail Registry with the above-mentioned information included.
4. A PPR-645 form, "Notice on Procedure Law #25", will be attached to the invoices and documents corresponding to the obligations.
5. The Area Commanding Officers, the work unit directors placed in the areas, but who do not respond to the Area Commanding Officers, or the person who is delegated to be the Disbursement Officer, will have 5 working days from the date the invoice or related document was received to remit it to the intervention Section of the Division of Finance.
6. Units that have Disbursement Officers, if authorized, will continue with the required procedures without having to refer them to the Division of Finance.
7. To speed up the process, the documents will be delivered personally. If this is not possible, the fastest method available to the working unit will be used.

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8. Before the document leaves the unit, it must also be registered in the Outgoing Mail Registry.
9. The Division of Finance will have 15 working days to process all paperwork related to accounts payable and to submit it to the Disbursement Officer. When the documents are received directly, this time will be extended to 20 working days.
10. When a situation occurs which impedes the issuing of a document, whether due to non-compliance of the supplier or internal situations in the work unit or in the Agency, a written official report stating the facts is to be prepared.
11. The work units will keep a copy of all documents prepared relating to the issuing of payments, including the reverse side where a seal, stamped when received, should appear.
12. As the document is being processed, it will follow the same procedure stated in this Article, with the exception of clause #4, since said document will be placed in the unit that initially receives it. Nevertheless, if a unit receives the document without the required form, it should be attached to speed up the process.

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Article 6. The Agency's Responsibilities

- A. The Chief of Police, through the Director of the Division of Finance, will issue to the Secretary or the Disbursement Officer, whatever the case may be, all the required documents to make payments feasible to the suppliers in a time period not exceeding 20 working days, starting from the date of receipt, of the commercial invoices and the supporting documents of the obligation, and the information that these require to process the payment.
- B. If when the invoices are received, the Agency determines that they cannot be processed for payment because what was billed does not correspond to the obligation, the merchandise or the services have not been rendered, or they do not correspond to the specifications agreed on, for lack of information or for any other reason, the Agency will inform the supplier in writing the reasons for not having processed the payment and will ask them to fulfill whatever requirements are needed. In such cases, the time period the Agency has to render the payment will begin on the date the documents or the information required from the supplier are received.

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- C. Once the Agency has the invoice with the necessary documents and required payment in its possession, if this be the case, and has already verified that the payment reflects what was billed, it will continue with the rest of the process, in agreement with what has been determined by the Department of Treasury in the Regulations it has published to these effects.
- D. In the cases of discounts for prompt payments, the work units will attach the PPR-646 form "Notice on Procedure Law #25 (Discount for Prompt Payment), and necessary measures will taken so that the documents will be submitted to the Secretary or Disbursement Officer with ample time in order to benefit from the discounts agreed on. The procedure stated in Article 5 will be carried out, with the exceptions of clauses 4, 5 and 9, since the conditions for the transaction will depend on the necessary requirement for the discounts. Nevertheless, it will not exceed the time limit stipulated by Law #25.

Article 7. The Disbursement Officer's Responsibilities

- A. The Disbursement Officer should make the payment to the suppliers within a period of time not to exceed 20 working days starting from the date the documents submitted by the Agency arrive.
- B. When the payments are made through the Department of Treasury, the norms stipulated by that Department for this purpose will govern.

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- C. In the case of prompt payment discounts, the disbursements will be made in the form of payment preferred by the suppliers. Nevertheless, in no way will this release the Disbursement Officer from his responsibility of making the remainder of the payments in the time period determined in this Article.
- D. For the payment transactions, the Disbursement Officer will proceed by the norms that the Department of Treasury has published to these effects.

Article 8. Procedure for Payment Request

- A. When a payment is not made within the time period determined by these Regulations, the supplier in question can send a certified written request to the Chief of Police asking for the payment to be made within ten working days from the date the request was issued.
- B. The request should describe allegations and reasons for submitting it, including any suggested solutions, and it should be signed by the respondent.
- C. The Chief of Police will send the request to the Division of Finance.
- D. The Director of the Division of Finance will take the request to the corresponding unit to investigate reasons payment was not made and whether or not the suppliers had been informed of these reasons.

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- E. If there is no disagreement, the Director of the Division of Finance, will issue the necessary documents to the Secretary or the Disbursement Officer for processing the payment in a time period not exceeding 5 working days beginning from the date that the request was made. The Secretary or the Disbursement Officer will then make the payment no later than 5 working days after receiving the above-mentioned documents.
- F. If there is disagreement, the Director of the Division of Finance will notify the Assistant Chief of Police in Management Services, who will then proceed to answer in writing questions about said request for payment within the 15 days after he receives it. He will report any disagreement concerning the existence of the obligation, the amount of payment, the delivery of goods, or the rendering of services, and their status, or about any other matter which has hindered the payment process according to stipulations in these Regulations.
- G. When there is disagreement, the Assistant Chief of Police in Management Services will prepare a written notice informing the supplier in question that if said supplier is not in agreement with what the Agency has expressed, he an request an informal hearing.

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- H. The supplier in question has to answer, in a written statement, within 20 days after receiving the notification.
- I. If an informal hearing is requested, it should be made to the Assistant Chief of Police in Management Services. The informal hearing will take place with an Official Examiner present.
- J. Once the disagreement is cleared up, if payment proceeds, the Agency will dispatch the necessary documents to forward it. Nevertheless, in these cases the provisions of Law #25 regarding the maximum time period to make the payment and the payment of interest will not apply. The Agency, when submitting these cases for payment, will proceed according to the regulations established by the Department of Treasury to these effects.

Article 9. Payment of Interest

- A. If there is no disagreement, failure to pay in within 10 working days as stated in Article 8 will carry interest penalties of a legal nature from the date the request was issued. If failure to comply with payment within the time established is determined to be the fault of the Agency, then the Agency will be responsible for paying the interest.

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- B. The Director of the Division of Finance will make sure that the cases in which there is no disagreement, will be paid according to Department of Treasury regulations.

Article 10. General Provisions

1. The work units authorized to receive invoices and documents related to obligations incurred by the Agency, but which do not belong to them, should immediately send them to the corresponding authorized agencies according to what has been established in these Regulations, using the fastest available method. The invoices and obligations of units that can not be located will be sent to the Finance Division.
2. The corresponding PPR-645 or PPR-646 forms will be attached to all invoices and documents. A special color has been assigned to these forms in order to readily identify the type of invoice or document, and to single them out for priority treatment.
3. The provisions of these Regulations do not apply to the supplier who does not submit to the Agency the information and documents required to carry out the payment transactions.
4. What has been established in these Regulations will not apply when the services are not well rendered or to the Agency's satisfaction, or when the goods are defective, or do not meet the requirements agreed on in the Purchase Order.

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5. In the same manner, the provisions in Articles 7 and 8 of these Regulations will not apply when public interest requires that other priorities be established for disbursement of funds, when unforeseen circumstances or an emergency situation makes it impossible to process the transactions by mechanical and electronic means, or when, at the closing of the fiscal year, the volume of transactions are so great that they can not be processed in the time period determined by law.
6. When a situation arises where payment is not possible for reasons mentioned in the above clause, the Chief of Police will be notified at least 10 days in advance whenever possible. He will then evaluate the situation. If he finds that the situation set forth is reasonable, he will send a statement to the Secretary of Treasury in order to be exempt from fulfilling the provisions of these Regulations.
7. The provisions for payment and the method for computing interest on the obligation will be determined by the Department of Treasury Regulations.
8. When a request for payment does not exist, nothing of what has been established here will keep the Agency from extending the time period for payment with its

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suppliers. In these cases, the Agency will file the original and two copies of the "Terms of Payment Agreement" prepared by the Department of Treasury. The Agency will keep the original and will submit one (1) copy to the supplier when the agreement is established. The remaining copy will be submitted to the Secretary or the Disbursement Officer when the payment is made.

9. Police employees who fail to comply with what has been established in these Regulations by not issuing the documents properly, or by hindering the transaction as required, are subject to be reprimanded as set forth in the Puerto Rico Police Department Personnel Regulations.

Article 11. Separability Clause

If any of the provisions in this regulation should be declared unconstitutional or null by a court of law, such declaration will not affect, diminish, nor invalidate the remaining provisions or their parts.

Article 12. Derogation

All the regulations, norms, and legal practices of the Puerto Rico Police Department which are in conflict or incompatible with this Regulation are hereby revoked.

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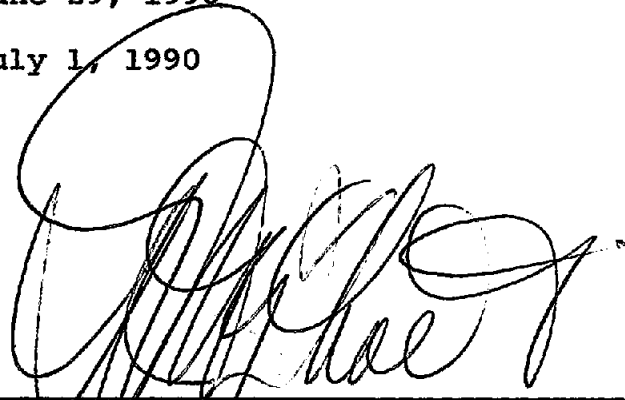
Article 13. Enforcement

This Regulation will be put in force as of July 1, 1990.

In San Juan, Puerto Rico

Date of Approval: June 29, 1990

Date of Enforcement: July 1, 1990

A large, stylized handwritten signature in black ink, appearing to read 'Ismael Betancourt y Lebrón', is written over a horizontal line.

Esq. Ismael Betancourt y Lebrón

Chief of Police